ACritical study of Self HelpGroups in Nanded District

Introduction:

For the development of India it is necessary to develop rural area first. Because, from total population, 65% of population from rural area. So there is a need of employment in rural area. The problem of poverty and indebtedness in India has become a serious mater. Today, 31% of people in Maharashtra are under poverty. Though India has made spectacular progress in various fields, poverty in the country is a matter of concern as poverty alleviation is an important objective of India's planning process.

It is said that for the overall development and self-help group, the self-help group will be formed. At the same time, the same economic opinion of the same village, 15 to 20 women, who have the same needs, come together and the savings group starts. There are at least ten and maximum 20 women members in the savings group who come together and voluntarily form a group.Self Help Group is now a well known concept. It is now almost two decades old. It is a group of few women which come together to solve their financial problems. Mainly members of the SHGs are women. Consequently, participation of women in the country's economic development is increasing. They also play an important role in elevating the economic status of their societies. This helps to the process of women empowerment.

The concept of SHG is not new to Maharashtra. There are more than 50000 Self Help Groups in Maharashtra and more than 1136.10 millions of fund provided to different levels.In 1991-1992 NABARD started promoting Self Help Groups on a large scale. And it was the real take-off point for the "SHG movement". In 1993, the Reserve Bank of India also allowed SHGs to open saving accounts in banks. Facility of availing bank services was a major boost to the movement. The movement of SHG was nourished in the status of Maharashtra, Gujrat, Andra Pradesh, Rajasthan, Tamilnadu and Kerala.

Now nearly 560 banks like NABARD, Bank of Maharashtra, State Bank of India, Co-operative banks, Regional Rural Banks, Government Institutions like Mahila Arthik Vikas Mahamandal (MAVIM), District Rural Development Agency (DRDA), National Rural livelihood Mission (NRLM), Maharashtra State Rural Livelihood Mission (MSRLM),Muncipal Corporations and more than 3024 NGOs are collectively and actively

involved in the promotion of SHG movement. Self Help Groups are generally facilitated by government and NGOs through promoting Self Help Groups. A number of recent projects substituted by trained facilitators and animator drown from Self Help Groups.

Definition:

"The process of giving an employment to the poor women's and give them financial stability is known as Self Help Group."

MSRLM: Maharashtra State Rural Livelihoods Mission (**MSRLM**) is an independent and autonomous institution registered society under the Societies Registration Act 1860.

Umed: Umed The Swarna jayanti Gram Swarojgar Yojana, better known as the SGSY programme, was restructured into the National Rural Livelihoods Mission by the Government of India in 2010.

NRLM: NRLM is the rechristened version of Swarna Jayanti Swarojgar Yojna (SGSY). It is a programme of Ministry of Rural Development. It aims to reduce poverty by enabling the poor household to access gainful self-employment and skilled wage employment opportunity resulting in a sustainable livelihood.

SHG Credit linkage:

While the Mission provides only catalytic capital support to the community institutions, it is expected that the banks provide the major chunk of funds required for meeting the entire gamut of credit needs for the rural poor households. The Mission therefore expects that the SHGs leverage significant amount of bank credit.

- The Mission assumes that over a period five years, each SHG would be able to leverage cumulative bank credit of Rs. 10,00,000/- in repeat doses, such that on the average each member household accesses a cumulative amount of Rs. 100000/-.
- In order to facilitate bank linkages, State Level Bankers' Committees (SLBC) would constitute exclusive sub-committees for SHG bank linkages and financial inclusion in NRLM activities. Similarly, District Level Coordination Committees and Block Level Coordination Committees would review SHG-Bank linkages and NRLM.
- The Mission units are also expected to use the services of the field level customer relationship managers such as Bank Mitra/Sakhi.

- Further, institutions of the poor are expected will be guided to constituting community-based recovery mechanisms (sub-committees on bank linkage and recovery of loans).
  NRLM works towards increasing the portfolio of products of savings, credit, insurance (life, health and assets) and remittance through the institutions of the poor directly or in partnership with mainstream financial institutions using various institutional mechanisms and technologies.

Need of research:

In recent years, Self HelpGroups can play a significant role in promoting women's participation in the process of empowerment and empowerment. Therefore, there is a need to study at the micro level of the financial condition and management status of women Self Help Groups in Nanded district.

1. To Encourage SHGs member for saving, economic, social management and empowerment of women.
2. Self Help Groups Increase the financial status of women.
3. To empower economically weaker women to get rid of private lenders.
4. By organizing women through Self Help groups, make them aware of their own existence.
5. By providing training to women through Self Help group, increasing their entrepreneurship.

Table: Overall Progress under SHG-Bank Linkage during past three years.

Particulars		2015-16		2016-17		2017-18	
		No. of SHGs	Amount	No. of SHGs	No. of SHGs	Amount	No. of SHGs
SHG SavingswithBanks ason31stMarch	Total SHG Nos.	79.03 (2.68%)	13691.39 (23.79%)	85.77 (8.53%)	16114.23 (17.69%)	87.44 (1.95%)	19592.12 (21.59%)
	All women SHGs	67.63 (1.68%)	12035.78 (29.92%)	73.22 (8.26%)	14283.42 (18.67%)	73.90 (0.94%)	17497.86 (22.51%)
	Percentage of Women	85.58	87.91	85.36	88.64	84.51	89.31
	Of which NRLM/SGSY	34.57 (13.27%)	6244.97 (41.16%)	37.44 (8.30%)	7552.70 (20.94%)	41.84 (11.76%)	10434.03 (38.15%)
	% of NRLM/SGSY Groups	43.74	45.61	43.65	46.87	47.85	53.26
	OfwhichNULM/SJSRY	4.46 (3.00%)	1006.22 (6.12%)	5.46 (22.42%)	1126.86 (11.99%)	4.25 (-22.10%)	1350.80 (19.87%)
	% of NULM/SJSRY Groups	5.64	7.35	6.36	6.99	4.86	6.89
Loans Disbursed to SHGs during the year	Total No. of SHGs extended loans	18.32 (12.67%)	37286.90 (35.18%)	18.98 (3.60%)	38781.16 (4.01%)	22.61 (19.13%)	47185.88 (21.67%)
	All women SHGs	16.29 (12.50%)	34411.42 (40.92%)	17.16 (5.34%)	36103.13 (4.92%)	20.75 (20.92%)	44558.74 (23.42%)
	Percentage of Women Groups	88.92	92.29	90.42	93.09	91.78	94.43
	Of which NRLM/SGSY	8.16 (26.91%	16785.78 (76.92%)	8.86 (8.58%)	17336.26 (3.28%)	12.70 (43.41%)	25055.18 (44.52%)
	% of NRLM/SGSY Groups	44.54	45.02	46.69	44.70	56.20	53.10
	OfwhichNULM/SJSRY	1.11 (5.71%)	2620.22 (40.00%)	1.06 (-4.5%)	2675.77 (2.12%)	1.06 (0.17%)	2424.07 (-9.41%)
	% of NULM/SJSRY Groups	6.06	7.03	5.60	6.90	4.71	5.14
Loans Outstanding against SHGs as on 31 March	TotalNo.ofSHGslinked	46.73 (4.59%)	57119.23 (10.81%)	48.48 (3.74%)	61581.30 (7.81%)	50.20 (3.55%)	75598.45 (22.76%)
	No.ofallWomenSHGs linked	40.36 (4.61%)	51428.91 (12.04%)	42.84 (6.14%)	56444.24 (9.75%)	45.49 (6.20%)	70401.73 (24.73%)
	Percentage Of Women SHGs	86.37	90.04	88.36	91.66	90.62	93.13
	Of which NRLM/SGSY	21.91 (18.69%)	26610.16 (34.72%)	24.91 (13.69%)	29994.43 (12.72%)	27.93 (12.13%)	38225.29 (27.44%)
	% of NRLM/SGSY Groups to Total	46.89	46.59	51.37	48.71	55.63	50.56
	OfwhichNULM/SJSRY	3.13 (-1.57%)	3979.75 (14.93%)	3.18 (1.60%)	4133.29 (3.86%)	2.90 (-8.58%)	5350.63 (29.45%)
	% of NULM/SJSRY Groups to Total	7.00	6.97	6.55	6.71	5.79	7.08

Source: NABARD Progress report of SHGs (amount in lakh/corror)

Table: Agency wise Average savings, Loan disbursement during the year and loan outstanding.

Category of Agency	Total Savings of SHGs with Banks as on 31 March 2018		Loans disbursed to SHGs by Banksduring 2017-18		Total Outstanding Bank Loans against SHGs		NPAs	
	No.of SHGs	Savings Amount	No.of SHGs	Loans disbursed	No.of SHGs	Loan Outstanding	Amount of Gross NPA	NPA (%)
Commercial Banks	4633712	1166422	1272886	2870762	2904086	4874805	310120	6.36
% Share	52.99	59.54	56.29	60.84	57.85	64.48	66.00	
Regional Rural Banks	2807744	580735	782563	1511934	1658221	2273864	121603	5.35
% Share	32.11	29.64	34.61	32.04	33.03	30.08	26.10	
Cooperative Banks	1302981	212054	205683	335892	458051	411176	31082	7.56
% Share	14.90	10.82	9.10	7.12	9.12	5.44	7.90	
Total	**8744437**	**1959211**	**2261132**	**4718588**	**5020358**	**7559845**	**462805**	**6.12**

Source: NABARD Average savings, Loan disbursement report of SHGs

Table: Overall Maharashtra Banks Progress under SHG-Bank Linkage

Sr. No.	Name of the Banks	Details of SHGs Saving linked with Banks			Out of Total SHGs - Exclusive Women SHGs		OutofTotalSHGs-Under NRLM/SGSY Scheme		Out of Total SHGs - Under NULM/ SJSRY	
		No. of SHGs	No. of Members	Savings Amount	No. of SHGs	Savings - Amount	No. of SHGs	Savings - Amount	No. of SHGs	Savings - Amount
1	Maharashtra GraminBank	67008	1340160	4075.97	67008	4075.97	67008	4075.97	0	0.00
2	Vidharbha Konkan Gramin Bank	49136	491360	6462.50	42748	5667.61	42748	5667.61	0	0.00
3	Catholic Syrian Bank Ltd	25	250	24.34	19	22.51	0	0.00	0	0.00
4	City Union Bank Limited	14	70	11.67	2	0.01	0	0.00	0	0.00
5	HDFC Bank Ltd.	18513	277695	3115.00	18513	3115.00	0	0.00	0	0.00
6	ICICI Bank Limited	85823	1115699	7520.27	85823	7520.27	0	0.00	0	0.00
7	Karnataka Bank Ltd	1	12	1.00	1	1.00	1	1.00	0	0.00
8	Ratnakar Bank Ltd	3	38	0.17	3	0.17	2	0.07	1	0.10

Source: NABARD Average savings, Loan disbursement report of SHGs

Table: Progress report of Maharashtra SHGs.

Sr. No.	Reputed Organizations	No of Beneficiary	No of Demand	SHGs Increment /Revenue	Grant Approval	Grant Publicity	No of SHGs linkage amount	No of refundable amount
1	Charitable organizations	357 (4260)	529 (5116)	87053 (667987)	3471.88 (34789.95)	2358.92 (13077.37)	79687 (482457)	63869 (282639)
2	Maharashtra Gramin Bank	1 (41)	1 (101)	500 (58656)	6.60 (1596.38)	5.84 (582.28)	492 (53514)	393 (2779)
3	Co-operative Banks	19 (92)	19 (105)	12257 (63222)	259.10 (1091.02)	105.41 (496.86)	7853 (56074)	3040 (34597)
4	IRVS	4(1170)	4 (36)	3300 (26350)	59.40 (455.18)	17.05 (78.25)	1974 (12313)	720 (5315)
5	Primary Co-operative society	2 (411)	2 (102)	1680 (14075)	84.00 (625.91)	17.67 (46.39)	592 (2050)	17 (761)
6	Total Reputed Organizations	383 (6251)	555 (5862)	104790 (838918)	3880.98 (38794.84)	2504.89 (14317.84)	90598 (610920)	68039 (352209)

Sourse: Micro finance in india.

Review of Literature:

1. **Sanjay Kantidas(2012),research topic entitled "Ground Realities of Self Help Group-Bank linkage programme: an empirical analysis."** The researcher study on twenty eight quality parameters to evaluate the quality of SHGs based on survey of literature. The study is undertaken in three development blocks of Nagaon districts of Assam during 2010-2011. It is observed that due to fast growing of the SHG-Bank linkage programme, the quality of SHG has come under stress. Some of the factors affecting the quality of SHGs.
2. **J. AloyNiresh,research topic entitled "Tread-off between Liquidity and Profitability: a study of selected manufacturing firms in Shrilanka."** The ultimate goal for the present study is initiated to find out the cause and effect relationship between liquidity and profitability. The study covered 31 listed manufacturing firms in Sri Lanka over a period of past 5 years from 2007 to 2011. Correlation analysis and descriptive statistics were used in the analysis and findings

suggest that there is no significant relationship between liquidity and profitability among the listed manufacturing firms in Sri Lanka.

3. **MUrlidhar A. Lokhande, Research topic entitled "Micro financing through women Self Help Groups and its socio-economic impact-a case study of kokan region of Maharashtra."** In this research paper the researcher was focused to find out whether micro finance really contributed to the socio-economic empowerment of group members? To what extent, micro financing through women groups benefited the members? Out of 350 women groups promoted by Sadbhav Foundation (33 groups), Raighar district, ManavSadhanVikas (25 groups), Kudal, Sindhudurga district and Matrumandir (19groups), Ratnagiri district (Maharashtra state, India) 77 (22 percent) were selected. Two members from each group (i.e. 154 members) were selected deliberately.
4. **R.C. Dangwal and Reetu Kapoor (2012), research entitled "Profitability of commercial banks after the reforms a study of selected Banks."** research topic entitled Analyzed the profitability of four major banks in India, namely, Punjab National Bank, State Bank of India, ICICI Bank and Federal bank, The paper seeks to examines the factors affecting the profitability of these banks with the help of correlation co-efficient matrix and Univariate regression analysis. The study has revealed that while the average profitability was highest in the case of ICICI Bank, it was lowest in Federal Bank.
5. **S. R. Kulkarni**, **Research topic entitled "Liquidity and Profitability analysis: an In-depth study of Textiles Manufacturing Industry in Gujrat."** In this research, researcher study on Working capital structure and Liquidity position of Gujarat Textile Industry. And also the Working capital Turnover position of Gujarat Textile Industry. Researcher present study tests by NULL Hypotheses.

From the above review of literature it is reviles that various study has been undertaken in the area of banking, manufacturing, micro financing etc. very few research studies has been undertaken on self-help group but MSRLM and NRLM remain untouched in the field of research. The researcher to found that there is huge gap between existing research and present research. Hence it is necessary to conduct research on the above topic.

Objectives:

1. To study the problems faced by SHGmembers.
2. To analyse the schemes provided by MSRLM for SHGs.
3. To study the women participations in rural development through SHGs.
4. To study SHGs loan status.

Hypothesis:

H01: There is correlation between SHGs and women economic, social development.

H02: There is correlation between SHGs women in taking initiative to solve their own and family problems.

H03: There is correlation between SHGs members self employment and financial improvement in their lives.

Research Methodology:

Source of data collection:

Primary Data: To conduct this study Primary data will be collected through designing questionnaire. Observation, interview method also used to collect required information for this study.

Secondary Data: Secondary data will be collected from library or various sources like books, journals, research articles, reports and news papers etc and extensive use of related websites of Self Help Groups in Maharashtra.

Sample Design: The researcher will choose Self Help Group which comes NRLM. There are597 Self Help Group associated with NRLM. Out of which some Self Help Groups are availing loan facilities under the government scheme from banks and some are not the same.

Universe/Population of Study: For this research work Nanded city is considered as whole universe. There are 597 Self Help Groups located in Nanded city.

Sampling Unit: In order to get the correct response from the respondent the researcher has define the sampling unit as SHGs and women's.

Methods of Sample selection: As there are 597 Self Help Groups in Nanded city. Hence probability sampling method will be used to select a sampling for this study.

Methods of Study: This is descriptive study conducted with the SHGs which comes under NRLM.

Size of sample: For the selection of sample the researcher has divided the Self Help Group under two categories: Number of Self Help Group who are availing the loan facilities under the schemes and other who are having the loan facilities not under the schemes. Seventeen percent (17%) sample will be selected from two categories that is approximately 100 sample will be selected for the study.

Tools of data analysis: The analysis part is carried out with statistical tools like Averages and one way ANOVA, MS-Excel software, Karl Pearson correlation analysis, Univariate Regression analysis, T-test or Z test and Chi-square test will be used to derive the result.

Chapter Schemes:

Chapter I: Introduction.
Chapter II: Research Methodology.
Chapter III: Review of literature.
Chapter IV: Profile of selected Self Help Group.
Chapter V: Tabulation and Data interpretation.
Chapter VI: findings conclusion and suggestions.

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